STATE OF ARIZONA

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DEPARTMENT OF INSURANCE

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In the Matter of the Withdrawal of:

AROTY LIFE INSURANCE COMPANY,
(NAIC No. 76813),

Petitioner.

Docket No. 99A-134-INS

ORDER

On August 17, 1999, the Office of Administrative Hearings, through Administrative Law Judge Lewis D. Kowal, issued a Recommended Decision of Administrative Law Judge ("Recommended Decision"), a copy of which is attached and incorporated by this reference. The Director of the Department of Insurance has reviewed the Recommended Decision and enters the following Order:

- 1. The recommended Findings of Fact and Conclusions of Law are adopted.
- 2. The Petitioner may file its Articles of Dissolution with the Arizona Corporation Commission.
- 3. The Petitioner is entitled to the release of its statutory deposit in the sum of \$100,000.00. The statutory deposit shall be released to the Petitioner after the Department has received the following: (a) payment of \$382.72 to the Insurance Examiners' Revolving Fund ("IERF"); (b) a copy of Petitioner's Articles of Dissolution certified as having been filed with the Arizona Corporation Commission; and (c) a fully executed Form E126 (Notice of Trust Deposit Release). The statutory deposit cannot be released until the Department receives a fully executed copy of the official State Treasurer Release Receipt Form E101.

4. The sum of \$100.00 previously credited to the IERF shall be refunded to the
Petitioner, pursuant to A.R.S. § 20-159.
5. The Petitioner shall file its 1999 Annual Statement with the Department, together
with all applicable fees, unless Petitioner files its Articles of Dissolution with the Arizona Corporation
Commission on or before December 31, 1999.
NOTIFICATION OF RIGHTS
Pursuant to A.R.S. § 41-1092.09, the aggrieved party may request a rehearing with
respect to this Order by filing a written motion with the Director of the Department of Insurance within
30 days of the date of this Order, setting forth the basis for relief under A.A.C. R20-6-114(B).
The final decision of the Director may be appealed to the Superior Court of Maricopa
County for judicial review pursuant to A.R.S. §§ 12-904 and 20-166. A party filing an appeal must
notify the Office of Administrative Hearings of the appeal within ten days after filing the complaint
commencing the appeal, pursuant to A.R.S. § 12-904(B).
DATED this of August, 1999
Charles R. Cohen
Director of Insurance

1	A copy of the foregoing mailed this D day of August, 1999
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3	Sara M. Begley, Deputy Director Mary Butterfield, Assistant Director Catherine O'Neil, Legal Affairs Officer
4	Gary Torticill, Assistant Director Deloris Williamson, Assistant Director
5	Scott Greenberg, Business Administrator Kurt Regner, Examiner
6	Department of Insurance 2910 N. 44th Street, Suite 210
. 7	Phoenix, AZ 85018
8	Office of Administrative Hearings
9	1400 W. Washington, Suite 101 Phoenix, AZ 85007
10	Frederick C. Berry, Jr.
11	350 E. Virginia, Suite 200 Phoenix, AZ 85004-1208
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IN THE OFFICE OF ADMINISTRATIVE HEARINGS

In the Matter of the Withdrawal of

No. 99A-134-INS

AROTY LIFE INSURANCE COMPANY (NAIC No. 76813),

RECOMMENDED DECISION
OF ADMINISTRATIVE
LAW JUDGE

Petitioner.

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HEARING: August 6, 1999

APPEARANCES: Frederick C. Berry, Jr. on behalf of the Petitioner; Kurt

Regner on behalf of the Arizona Department of Insurance

ADMINISTRATIVE LAW JUDGE Lewis D. Kowal

On August 6, 1999, a hearing took place to consider the application of Aroty Life Insurance Company (the "Petitioner"), to withdraw from the insurance business and for the release of its statutory deposit pursuant to A.R.S. §20-588 and A.A.C. R20-6-303.

Based upon the entire record in this matter, the following Findings of Fact, Conclusions of Law and Recommended Order are made:

FINDINGS OF FACT

- 1. The Petitioner has surrendered its certificate of authority to the Arizona Department of Insurance ("Department").
- 2. The Petitioner has filed with the Department certified copies of Resolutions of the Petitioner's Board of Directors and of the Petitioner's shareholder(s) authorizing Petitioner to withdraw from the insurance business by dissolution.
- 3. The Petitioner has no insurance obligations owing to it, whether by policies written direct or by reinsurance ceded to it.
- 4. The Petitioner has filed its certified financial statement as of March 31, 1999, with the Department.

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- 5. At least 10 business days before the hearing of this matter, Petitioner gave special notice to creditors and policyholders of the Petitioner, setting forth the date, place, nature and purpose of the hearing, as evidenced by an affidavit of publication. Petitioner also provided individual notice by mail to its known creditors, as evidenced by an affidavit.
- 6. The Petitioner has a \$100,000.00 statutory deposit with the Department and a \$100.00 deposit with the Insurance Examiners' Revolving Fund ("IERF").
- 7. The Department represented that Petitioner owes the IERF the sum of \$382.72. However, Petitioner represented that a check in that amount has been provided to the Department. The evidence presented establishes that although the Petitioner may have tendered payment to the IERF in the sum of \$382.72, it is still undergoing processing and the records of the Department, as of August 2, 1999, do not reflect such payment.
- 8. Petitioner waived the notice requirements set forth in A.R.S. §41-1092.05(D).

CONCLUSIONS OF LAW

The Petitioner has complied with the provisions of A.R.S. §20-588 and with A.A.C. R20-6-303, relating to the release of its \$100,000.00 statutory deposit.

RECOMMENDED ORDER

- 1. The Petitioner may file its Articles of Dissolution with the Arizona Corporation Commission.
- 2. The Petitioner is entitled to the release of its statutory deposit in the sum of \$100,000.00 and the statutory deposit shall be released to the Petitioner after the Department has received the following: (a) payment of \$382.72 to the IERF; (b) a copy of Petitioner's Articles of Dissolution certified as having been filed with the Arizona Corporation Commission; and (c) a fully executed Form E126 (Notice of Trust Deposit Release). The statutory deposit cannot be released until the Department receives a fully executed copy of the official State Treasurer Release Receipt Form E101.

- 3. The sum of \$100.00 previously credited to the IERF be refunded to the Petitioner, pursuant to A.R.S. §20-159.
- 4. The Petitioner shall file its 1999 Annual Statement with the Department, together with all applicable fees, unless Petitioner files its Article of Dissolution with the Arizona Corporation Commission on or before December 31, 1999.

Done this day, August 17, 1999

Lewis Ď. Kowal

Administrative Law Judge

Original transmitted by mail this day of \(\) Usus , 1999, to:

Department of Insurance Mr. Charles R. Cohen 2910 North 44th Street, Ste. 210 Phoenix, AZ 85018

ATTN: Curvey Burton